



**State of Connecticut
Office of Health Care Access
Letter of Intent/Waiver Form
Form 2030**

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CONNECTICUT OFFICE OF
HEALTH CARE ACCESS

All Applicants must complete a Letter of Intent (LOI) form prior to submitting a Certificate of Need application, pursuant to Sections 19a-638 and 19a-639 of the Connecticut General Statutes and Section 19a-643-79 of OHCA's Regulations. Please submit this form to the Commissioner of the Office of Health Care Access, 410 Capitol Avenue, MS# 13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

SECTION I. APPLICANT INFORMATION

If there are more than two Applicants, please attach a separate sheet of paper and provide additional information in the format below.

	Applicant One	Applicant Two
Full legal name	The Griffin Hospital	G. H. Ventures, Inc.
Doing Business As	The Griffin Hospital	G. H. Ventures, Inc.
Name of Parent Corporation	Griffin Health Services Corporation	Griffin Health Services Corporation
Mailing Address, if Post Office Box, include a street mailing address for Certified Mail	130 Division Street Derby, CT 06418	130 Division Street Derby, CT 06418
Applicant type (e.g., profit/non-profit)	Non-Profit Acute Care Hospital	For Profit, 100% taxable subsidiary responsible for development/operation of business ventures
Contact person, including title or position	Patrick Charmel President/CEO	Patrick Charmel President/CEO
Contact person's street mailing address	130 Division Street Derby, CT 06418	130 Division Street Derby, CT 06418
Contact person's phone #, fax # and e-mail address	Phone: 203-732-7500 Fax: 203-732-7569 Email: pcharmel@griffinhealth.org	Phone: 203-732-7500 Fax: 203-732-7569 Email: pcharmel@griffinhealth.org

SECTION II. GENERAL APPLICATION INFORMATION

- a. Proposal/Project Title: **Expansion of Emergency Department, Radiology Department and Surgical Suite/Construction of Ambulatory Care Building/Establishment of Radiation Therapy Service**
- b. Type of Proposal, please check all that apply:
- ☒ Change in Facility (F), Service (S) or Function (Fnc) pursuant to Section 19a-638, C.G.S.:
- | | | |
|---|--|--|
| <input checked="" type="checkbox"/> New (F, S, Fnc) | <input type="checkbox"/> Replacement | <input type="checkbox"/> Additional (F, S, Fnc) |
| <input checked="" type="checkbox"/> Expansion (F, S, Fnc) | <input type="checkbox"/> Relocation | <input type="checkbox"/> Service Termination |
| <input type="checkbox"/> Bed Addition | <input type="checkbox"/> Bed Reduction | <input type="checkbox"/> Change in Ownership/Control |
- ☒ Capital Expenditure/Cost, pursuant to Section 19a-639, C.G.S.:
- ☒ Project expenditure/cost greater than \$ 1,000,000
- ☒ Equipment Acquisition greater than \$ 400,000
- | | | |
|---|--|---|
| <input checked="" type="checkbox"/> New | <input type="checkbox"/> Replacement | <input checked="" type="checkbox"/> Major Medical |
| <input checked="" type="checkbox"/> Imaging | <input checked="" type="checkbox"/> Linear Accelerator | |
- ☐ Change in ownership or control, pursuant to Section 19a-639 C.G.S., resulting in a capital expenditure over \$1,000,000
- c. Location of proposal (Town including street address): **Griffin Hospital main campus at 130 Division Street, Derby, CT and newly acquired property contiguous to the main campus (including 137 Mohawk Avenue; Lot 55, 55a, and 55b Mohawk Avenue; 190 and 192 Division Street; and 370 Seymour Avenue).**
- d. List all the municipalities this project is intended to serve:
Primary Service Area: Ansonia, Beacon Falls, Derby, Oxford, Seymour and Shelton
Secondary Service Area: Bethany, Middlebury, Milford, Monroe, Naugatuck, Orange, Prospect, Southbury, Stratford, Trumbull, Woodbridge, and Woodbury
- e. Estimated starting date for the project: **October 1, 2006**

f. Type of project: **13, 14, 22, 25, 27, and 31**

Number of Beds (to be completed if changes are proposed)

Type	Existing Staffed	Existing Licensed	Proposed Increase (Decrease)	Proposed Total Licensed

SECTION III. ESTIMATED CAPITAL EXPENDITURE INFORMATION

a. Estimated Total Capital Expenditure: \$30,384,620

b. Please provide the following breakdown as appropriate:

Construction/Renovations	\$25,360,000
Medical Equipment (Purchase)	\$3,687,620
Imaging Equipment (Purchase)	672,000
Non-Medical Equipment (Purchase)	\$665,000
Sales Tax	
Delivery & Installation	
Total Capital Expenditure	\$ 30,384,620
Fair Market Value of Leased Equipment	
Total Capital Cost	\$ 30,384,620

Major Medical and/or Imaging equipment acquisition:

Equipment Type	Name	Model	Number of Units	Cost per unit
Linear Accelerator with On-Board Imaging	Varian or Elekta		1	\$2,398,120
CT Simulator	8 or 16-slice refurbished		1	\$672,000
Treatment Planning System	Impac or Varis		1	\$445,000
Radiation Oncology Information Management System				\$322,000
Miscellaneous Radiation Therapy Equipment – (Physics Equipment, QA system, Treatment Accessories, External Patient Positioning/Motion Tracking System, Block Fabrication Equipment, etc.				\$322,500
Miscellaneous Medical Equipment				\$200,000

Note: Provide a copy of the contract with the vendor for major medical/imaging equipment.
Updated price quotes will be included in the Certificate-of-Need Application.

c. Type of financing or funding source (more than one can be checked):

- ☒ Applicant's Equity
 ☐ Lease Financing
 ☒ Conventional Loan
☒ Charitable Contributions
 ☒ CHEFA Financing
 ☐ Grant Funding
☐ Funded Depreciation
 ☐ Other (specify): _____

SECTION IV. PROJECT DESCRIPTION

Please attach a separate 8.5" X 11" sheet(s) of paper and provide no more than a 2 page description of the proposed project, highlighting all the important aspects of the proposed project. Please be sure to address the following (if applicable):

- Currently what types of services are being provided? If applicable, provide a copy of each Department of Public Health license held by the Petitioner.
- What types of services are being proposed and what DPH licensure categories will be sought, if applicable?
- Who is the current population served and who is the target population to be served?
- Identify any unmet need and how this project will fulfill that need.
- Are there any similar existing service providers in the proposed geographic area?

6. What is the effect of this project on the health care delivery system in the State of Connecticut?
7. Who will be responsible for providing the service?
8. Who are the payers of this service?

If requesting a Waiver of a Certificate of Need, please complete Section V.

SECTION V. WAIVER OF CON FOR REPLACEMENT EQUIPMENT

I may be eligible for a waiver from the Certificate of Need process because of the following:
(Please check all that apply)

- ☐ This request is for Replacement Equipment.
 - ☐ The original equipment was authorized by the Commission/OHCA in Docket Number: _____.
 - ☐ The cost of the equipment is not to exceed \$2,000,000.
 - ☐ The cost of the replacement equipment does not exceed the original cost increased by 10% per year.

Please complete the attached affidavit for Section V only.

AFFIDAVIT

Applicant: _____

Project Title: _____

I, _____,
(Name) (Position – CEO or CFO)

of _____ being duly sworn, depose and state that the
information provided in this CON Letter of Intent/Waiver Form (2030) is true and accurate to
the best of my knowledge, and that _____ complies with the appropriate and
(Facility Name)
applicable criteria as set forth in the Sections 19a-630, 19a-637, 19a-638, 19a-639, 19a-486
and/or 4-181 of the Connecticut General Statutes.

Signature

Date

Subscribed and sworn to before me on _____

Notary Public/Commissioner of Superior Court

My commission expires: _____

Project Type Listing

Please indicate the number or numbers of types of projects that apply to your request on the line provided on the Letter of Intent Form (Section II, page 2).

Inpatient

1. Cardiac Services
2. Hospice
3. Maternity
4. Med/ Surg.
5. Pediatrics
6. Rehabilitation Services
7. Transplantation Programs
8. Trauma Centers
9. Behavioral Health (Psychiatric and Substance Abuse Services)
10. Other Inpatient

Outpatient

11. Ambulatory Surgery Center
12. Birthing Centers
13. Oncology Services
14. Outpatient Rehabilitation Services
15. Paramedics Services
16. Primary Care Clinics
17. Urgent Care Units
18. Behavioral Health (Psychiatric and Substance Amuse Services)
19. MRI
20. CT Scanner
21. PET Scanner
22. Other Imaging Services
23. Lithotripsy
24. Mobile Services
25. Other Outpatient
26. Central Services Facility

Non-Clinical

27. Facility Development
28. Non-Medical Equipment
29. Land and Building Acquisitions
30. Organizational Structure (Mergers, Acquisitions, Affiliations, and Changes in Ownership)
31. Renovations
32. Other Non-Clinical

This Letter of Intent proposes the expansion of Griffin Hospital's Emergency Department, the allocation of space for future expansion of its Radiology Department and Surgical Suite, and to accommodate such expansion, the relocation of the Hospital's Physical Therapy, Cardiac Rehabilitation and Special Procedures services to a new free-standing 49,000 square foot ambulatory care building. This building will also house a new community cancer center offering radiation therapy and medical oncology services including chemotherapy administration, and the services of physicians of various surgical subspecialties involved in the diagnosis and treatment of cancer.

Griffin's main hospital building is fully occupied, which currently prevents the expansion of services or the introduction of new services. The current population served and the target population to be served by this project include the residents of Ansonia, Beacon Falls, Bethany, Derby, Middlebury, Milford, Monroe, Naugatuck, Orange, Oxford, Prospect, Seymour, Southbury, Shelton, Stratford, Trumbull, Woodbridge, and Woodbury.

In Fiscal Year 2005, patient visits to Griffin Hospital's Emergency Department (ED) totaled 36,788 – all within a physical plant comprised of 16 treatment rooms. Despite efforts in the recent past to renovate the Emergency Department, the continued increase in patient visits over the last several years has strained the existing facility beyond its limit. This problem is further compounded by the fact that between 60 and 70 % of all patients admitted to Griffin Hospital enter through its emergency department. According to industry standards published by the American College of Emergency Physicians, a bed capacity of 24-30 beds is necessary to handle 40,000 visits annually. Currently, Griffin's ED is 50% undersized. Given existing volume and space constraints, patients experience excessive wait times and often are treated in hallways during periods of peak activity which results in less than optimal care, decreased patient and staff satisfaction and an increase in the number of patients who leave without being seen.

In addition, Griffin Hospital's outpatient visits have increased from 131,732 visits in Fiscal Year 2000 to 164,640 in Fiscal Year 2005. The majority of this increase has occurred within Griffin's Radiology service line as Radiology outpatient visits grew from 34,007 in FY 2000 to a high of 49,811 in Fiscal Year 2005, notably a 46% increase. As the Radiology Department is situated between the Emergency Department and Clinical Laboratory, there is no room to expand at the present time.

Another major goal of this project is to facilitate and improve access to cancer treatment for patients in Griffin Hospital's service area. Due to technological advances over the last decade, most patients with an initial cancer diagnosis undergo diagnostic procedures

and treatment on an outpatient basis. Griffin Hospital currently offers diagnostic, therapeutic and supportive services to cancer patients. It is Griffin Hospital's goal to augment and enhance its cancer care services through the addition of radiation therapy and co-location of other cancer treatment services within the new ambulatory care building. A facility that combines radiation therapy, medical oncology services, support services, and the office practice of various surgeons with specialty and subspecialty training in cancer treatment in a single outpatient setting on the hospital's campus is essential for achieving this goal. Furthermore, since there currently is no provider of radiation therapy services within the hospital's primary service area, residents of the communities we serve are forced to travel outside of the community to receive radiation therapy. This proposal, if approved, would result in area residents having access to the same comprehensive and coordinated cancer care available to those living in surrounding urban centers and eliminate the stress induced by frequent travel out of the community to receive care and treatment. Because a course of radiation therapy typically involves daily visits over a period of five to six weeks, having to travel a considerable distance for care is particularly burdensome to cancer patients and their families. Surveys, focus groups, and other research have consistently shown that radiation therapy services are the most desired and requested new service community residents would like the hospital to offer.

The proposed radiation therapy service will operate as an outpatient service of Griffin Hospital. Griffin will contract with the board certified radiation oncologists of New Haven Radiology Associates, PC to provide radiation therapy professional services for the Hospital. Over the years, this group has had a strong commitment to providing quality service to patients and physicians within the Griffin service area.

The hospital and its affiliated physicians currently have provider agreements with nearly all third party payers within the state. The same payer sources are anticipated to provide the revenues associated with the project, including the new radiation therapy service. Given the current and projected incidence of cancer within Griffin's service area population, the hospital will demonstrate that it can operate a financially viable radiation therapy service at no added cost to the payers who generally reimburse these services under fixed inpatient payment rates and outpatient fee schedules.

Given these factors, the opportunity exists to substantially improve service delivery to patients of the Lower Naugatuck Valley through expansion of Griffin's Emergency Department and Radiology department and by providing improved access to and coordination of cancer care for the patients Griffin serves through the establishment of a community cancer center housed in a new ambulatory care building. Consistent with the healing principles of the Planetree philosophy, the design and layout of the planned ambulatory care building and expanded Emergency and Radiology Departments will reflect Griffin's dedication to patient-centered care.